Commissioner for Patents
BOX AF

AF/3625

Patent
Attorney's Docket No. K35A0603

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent Application of	**Reply Under 37 C.F.R. 1.116-Expedited Procedure-Technology Center 3625**
James S. ELLIS et al.	
Application No.: 09/557,040	Group Art Unit: 3625
Filed: April 21, 2000	Examiner: Forest Thompson Jr.
For: INTERNET BASED COMPUTER SYSTEM COMPONENT EXCHANGE	Confirmation No.: 6502

AMENDMENT/REPLY TRANSMITTAL LETTER

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Enclosed is a reply for the above-identified patent application.

[ ] A Petition for Extension of Time is also enclosed.

[ ] A Terminal Disclaimer and the [ ] $55.00 (2814) [ ] $110.00 (1814) fee due under 37 C.F.R. § 1.20(d) are also enclosed.

[ ] Also enclosed is/are _____.

[ ] Small entity status is hereby claimed.

[ ] Applicant(s) requests continued examination under 37 C.F.R. § 1.114 and enclose the [ ] $385.00 (2801) [ ] $770.00 (1801) fee due under 37 C.F.R. § 1.17(e).

[ ] Applicant(s) requests that any previously unentered after final amendments not be entered. Continued examination is requested based on the enclosed documents identified above.

[ ] Applicant(s) previously submitted ___, on ___, for which continued examination is requested.

[ ] Applicant(s) requests suspension of action by the Office until at least ___, which does not exceed three months from the filing of this RCE, in accordance with 37 C.F.R. § 1.103(c). The required fee under 37 C.F.R. § 1.17(i) is enclosed.

[ ] A Request for Entry and Consideration of Submission under 37 C.F.R. § 1.129(a) (1809/2809) is also enclosed.

[X] No additional claim fee is required.

[ ] An additional claim fee is required, and is calculated as shown below:

AMENDED CLAIMS					
	NO. OF CLAIMS	HIGHEST NO. OF CLAIMS PREVIOUSLY PAID FOR	EXTRA CLAIMS	RATE	ADD'L FEE
Total Claims		MINUS =		× $18.00 (1202) =	
Independent Claims		MINUS =		× $86.00 (1201) =	
If Amendment adds multiple dependent claims, add $290.00 (1203)					
Total Claim Amendment Fee					
If small entity status is claimed, subtract 50% of Total Claim Amendment Fee					
TOTAL ADDITIONAL CLAIM FEE DUE FOR THIS AMENDMENT					

[ ] A check in the amount of $_____ is enclosed for the fee due.

[ ] Charge $_____ to Deposit Account No. 02-4800.

The Director is hereby authorized to charge any appropriate fees under 37 C.F.R. §§ 1.16, 1.17, 1.20(d) and 1.21 that may be required by this paper, and to credit any overpayment, to Deposit Account No. 02-4800. This paper is submitted in duplicate.

Respectfully submitted,

BURNS, DOANE, SWECKER & MATHIS, L.L.P.

Date: 11/26/03

By: _____
Stephen W. Palan
Registration No. 43,420

P.O. Box 1404
Alexandria, Virginia 22313-1404
(703) 836-6620

Patricia Lewis
#5/Election
3/3/04

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Patent Application of	)	
	)	
James S. ELLIS et al.	)	Group Art Unit: 3625
	)	
Application No.: 09/557,040	)	Examiner: Forest Thompson
	)	
Filed: April 21, 2000	)	Confirmation No. 6502
	)	
For: INTERNET BASED COMPUTER SYSTEM COMPONENT EXCHANGE	)	

REQUEST FOR RECONSIDERATION

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

In complete response to the Office Action issued on August 27, 2003, reconsideration and allowance of the above-identified application are respectfully requested. Claims 1-32 remain pending.

In the third paragraph of the Office Action claims 1-32 are rejected under 35 U.S.C. § 103(a) as allegedly being obvious in view of U.S. Patent No. 6,029,146 to *Hawkins et al.* ("*Hawkins*") and Official Notice. This ground of rejection is respectfully traversed.

Initially, Applicants note with appreciation the withdrawal of the anticipation rejection in view of *Hawkins* and the clarification of the grounds of rejection. However, for the following reasons it is respectfully submitted that the rejection of claims 1-32 as

allegedly being obvious in view of the combination of *Hawkins* and the Official Notice is improper.

The combination of *Hawkins* and the Official Notice does not render Applicants' claim 1 unpatentable because the combination does not disclose or suggest all of the elements of Applicants' claim 1. For example, the combination of *Hawkins* and the Official Notice does not disclose or suggest "a plurality of investment instruments comprising shares of ownership in the exchange server complex" or "a means for apportioning the net profit based on the number of shares associated with each owner-processor" as recited in Applicants' claim 1. Furthermore, the combination of *Hawkins* and the Official Notice does not disclose or suggest "a means for receiving one or more buy orders for computer components from the first owner-processor" as recited in Applicants' claim 1.

Hawkins discloses a method and apparatus for trading securities electronically. Referring now to figure 4 of *Hawkins*, an originating broker 100 (working for Company A) places an order with an executing broker 101 (working for company B) by sending a buy order to host 102 (which is associated with financial institution C). The executing broker 101 retrieves the buy order message, executes the buy order, and sends a confirmation message to host 102. Host 102 matches the originating and executing broker messages and sends messages to the originating broker's clearing agents. Apart from mentioning that host 102 is associated with Financial Institution C, *Hawkins* does not discuss ownership in the host 102. Accordingly, *Hawkins* cannot disclose or suggest "investment instruments comprising shares of ownership interest" in host 102, or "a

means for apportioning the net profit based on a number of shares associated with each owner-processor."

It appears that the Office Action has taken Official Notice to remedy the above-identified deficiencies of the disclosure of *Hawkins*. However, the Official Notice does not address these deficiencies of *Hawkins*. The Official Notice asserts that "fees may encompass providing monetary value to owners of an interest in products or services for the use or *exchange of these products or services*." (Emphasis added). The Office Action then concludes that it would have been obvious to modify *Hawkins* by the Official Notice to provide "shares of ownership and monetary exchanges related to ownership factors...for the motivation of compensating owners/systems for the exchange of products and services." Accordingly, it appears that the Office Action is asserting that fees for the provision of an exchange of products and services were well known in the art. However, Applicants claim 1 recites "a plurality of investment instruments comprising shares of ownership *in the exchange server complex*." (Emphasis added). The Official Notice does not address shares of ownership in an exchange server complex. However, if the Official Notice is intended to assert that shares of ownership in an exchange server complex were well known in the art, then Applicants respectfully traverse this assertion and request that the next Office Action contain a citation to a prior art document so that the Applicants have a full and fair opportunity to assess the alleged well known disclosures.

Because the combination of *Hawkins* and the Official Notice does not disclose or suggest shares of ownership in the exchange server complex recited in Applicants' claim 1, the combination cannot disclose or suggest "a means for apportioning the net

profit based on the number of shares associated with each owner-processor" as recited in Applicants' claim 1.

Additionally, *Hawkins* discloses a system for buying and selling securities. *Hawkins* does not mention buy orders for computer components, and hence, cannot disclose or suggest "a means for receiving one or more buy orders for computer components from the first owner-processor" as recited in Applicants' claim 1. To address this deficiency of *Hawkins*, the Office Action asserts that "analogous art [*to Applicants' claimed invention*] includes any prior art that discloses the invention and/or functionality claimed by applicants for any products or services, and this prior art may be used to reject applicants' invention." Without addressing whether *Hawkins* can be considered as analogous art with respect to Applicants' pending claims, it appears that the rejection of Applicants' claims is based upon a misunderstanding of the law of obviousness.

The Office Action is correct that to apply a document in a rejection under 35 U.S.C. §103 the document must be analogous art. (See M.P.E.P. § 2141(a)). However, merely because a document is analogous art does not end the inquiry under 35 U.S.C. §103. As discussed in M.P.E.P. § 2141, the Patent Office must establish a *prima facie* case of obviousness for a rejection to be proper under 35 U.S.C. §103. A *prima facie* case of obviousness requires, *inter alia*, that the "prior art reference (or references when combined) must teach or suggest all the claim limitations." However, the Office Action has not provided a prior art disclosure which even mentions computer components. Accordingly, the Office Action has not provided a prior art disclosure of "a means for receiving one or more buy orders for computer components from the first owner-

processor" as recited in Applicants' claim 1. Because the Office Action has not provided a prior art disclosure of all of the elements of Applicants' claims, this Office Action has not established a proper *prima facie* case of obviousness, and hence, the rejection of Applicants' claims is improper.

Since *Hawkins* and the Official Notice do not disclose or suggest all of the elements of Applicants' claim 1, and since the Office Action has not established a proper *prima facie* case of obviousness with respect to Applicants' claim 1, the combination of *Hawkins* and the Official Notice cannot render Applicants' claim 1 unpatentable. Claims 2-17 depend from claim 1, and are, therefore, patentably distinguishable over the combination of *Hawkins* and the Official Notice for at least those reasons stated above with regard to Applicants' claim 1.

Claim 18 recites a method with similar elements to those discussed above with regard to claim 1. For example, claim 18 recites the steps of "receiving one or more buy orders for computer components" and "apportioning the net profit based on the number of shares associated with each owner-processor." Accordingly, *Hawkins* does not render claim 18 obvious for similar reasons to those discussed above with regard to claim 1. Claims 19-32 variously depend from Applicants' claim 18, and are, therefore, not rendered obvious by the combination of *Hawkins* and the Official Notice for at least those reasons stated above with regard to Applicants' claim 18.

For at least those reasons stated above, it is respectfully requested that the rejection of claims 1-32 as allegedly being obvious in view of the combination of *Hawkins* and the Official Notice be withdrawn.

All outstanding objections and rejections having been addressed, it is respectfully submitted that the present application is in immediate condition for allowance. Notice to this effect is earnestly solicited. If there are any questions regarding this response, or the application in general, the Examiner is encouraged to contact the undersigned at 703-838-6578.

Respectfully submitted,

BURNS, DOANE, SWECKER & MATHIS, LLP

By: _____
Stephen W. Palan
Reg. No. 43,420

Date: November 26, 2003

P.O. Box 1404
Alexandria, VA 22313-1404
(703) 836-6620